Please delete the paragraph beginning at page 6, line 5.

Please replace the paragraph beginning at page 10, line 7 with the following paragraph:

--"Neuroepithelial stem cells" are stem cell populations isolated from fetal neuroepithelial tissue. Such cells may be considered a subset of neural stem cells, as used herein. "Neuroepithelial cells" tend to be multipotent.--

Please replace the paragraph beginning at page 12, line 18 with the following paragraph:

--The subject method has wide applicability to the treatment of CNS damage. In this regard, the subject method is useful for, but not limited to, treatment of injury to the brain and spinal cord due to ischemias, hypoxia, traumas, neurodegenerative diseases, infectious diseases, cancers, autoimmune diseases and metabolic disorders. Examples of disorders include stroke, head trauma, spinal trauma, hypotension, arrested breathing, cardiac arrest, Reye's syndrome, cerebral thrombosis, embolism, cerebral hemorrhage, brain tumors, encephalomyelitis, hydroencephalitis, operative and postoperative brain injury, Alzheimer's disease, Huntington's disease, Creutzfeld-Jakob disease, Parkinson's disease, multiple sclerosis and amyotrophic lateral sclerosis.--

Please replace the paragraph beginning at page 21, line 22 with the following paragraph:

--Each of these analogs can subsequently be screened for further biological activities. For example, receptor-binding analogs isolated from the combinatorial library can be tested for their effect on cellular proliferation relative to the wild-type form of the protein. Alternatively, one could screen the analogs for stability in vitro or in vivo. The activity of such analogs can also be assessed in animal models. For example, the ability of an analog to improve neural function in a rat stroke model could be assessed to verify that an analog has the appropriate bioactivity.--

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Please replace the paragraph beginning at page 22, line 15 with the following paragraph:

--In other embodiments, chemically modified bioactive factors are contemplated. A polypeptide may be chemically modified to create derivatives by forming covalent or aggregative conjugates with other chemical moieties, such as glycosyl groups, lipids, phosphate, acetyl groups and the like. Covalent derivatives may be prepared by linking the chemical moieties to functional groups on amino acid side chains or at the N-terminus or at the C-terminus of the polypeptide. For instance, a bioactive factor can be generated which includes a moiety, other than sequences naturally associated with the protein, that binds a component of the extracellular matrix and enhances localization of the analog to cell surfaces. For example, sequences derived from the fibronectin "type-III repeat", such as a tetrapeptide sequence R-G-D-S (Pierschbacher et al. (1984) *Nature* 309:30-3; and Kornblihtt et al. (1985) *EMBO* 4:1755-9) can be added to a polypeptide factor to support attachment of the chimeric molecule to a cell through binding ECM components

C4

(Ruoslahti et al. (1987) *Science* 238:491-497; Pierschbacheret al. (1987) *J. Biol. Chem.* 262:17294-8.; Hynes (1987) *Cell* 48:549-54; and Hynes (1992) *Cell* 69:11-25).--

Please replace the paragraph beginning at page 37, line 27 with the following paragraph:

--Particular compositions for use in the method of the present invention are those wherein the neural stimulant is formulated in liposome-containing compositions. Liposomes are artificial vesicles formed by amphiphatic molecules such as polar lipids, for example, phosphatidyl cholines, ethanolamines and serines, sphingomyelins, cardiolipins, plasmalogens, phosphatidic acids and cerebrosides. Liposomes are formed when suitable amphipathic molecules are allowed to swell in water or aqueous solutions to form liquid crystals usually of multilayer structure comprised of many bilayers separated from each other by aqueous material (also referred to as coarse liposomes). Another type of liposome known to be consisting of a single bilayer encapsulating aqueous material is referred to as a unilamellar vesicle. If water-soluble materials are included in the aqueous phase during the swelling of the lipids they become entrapped in the aqueous layer between the lipid bilayers.--

Please replace the paragraph beginning at page 39, line 15 with the following paragraph:

--The organic component consists of a suitable non-toxic, pharmaceutically acceptable solvent such as, for example ethanol, glycerol, propylene glycol and polyethylene glycol, and a suitable phospholipid which is soluble in the solvent. Suitable

phospholipids which can be employed include lecithin, phosphatidylcholine, phosphatidylserine, phosphatidylethanol-amine, phosphatidylinositol, lysophosphatidylcholine and phosphatidyl glycerol, for example. Other lipophilic additives may be employed in order to selectively modify the characteristics of the liposomes. Examples of such other additives include stearylamine, phosphatidic acid, tocopherol, cholesterol and lanolin extracts.--

Please replace the paragraph beginning at page 42, line 24 with the following paragraph:

--The results of these tests are shown in Figures 1A-1D. Panels (A) and (B) show placing activity of the affected forelimb and hindlimb (contralateral to the side of the stroke in the brain). Panel (C) shows the body swing test, and panel (D) shows the spontaneous limb use test. In each instance, normal behavior is indicated by the data obtained on the day before surgery (-1 day). In each case, animals showed markedly abnormal behavior on the day following surgery. There was then a slow spontaneous recovery that was incomplete. Figures 1A-1D show that on the limb placing tests all three treatments: NSC, bFGF and the combination, significantly enhanced recovery compared to placebo. There was a similar trend in the spontaneous limb use test. No differences among treatments compared to placebo were seen on the body swing test. In addition, although this was nonsignificant, a trend toward superior enhancement of function was seen in the combination group compared to the NSC and bFGF groups alone.--